

## SENATE BILL No. 212

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10.3-5-3.5; IC 5-13-10.5-10.5;  
IC 21-6.1-3-9.3.

**Synopsis:** Investments in institutions doing business in Sudan. Prohibits the investment of funds held by a public officer of the state, the public employees' retirement fund, or the teachers' retirement fund with an institution that: (1) has loans to; (2) is engaged in business with or in; or (3) has invested in another company engaged in business with or in; Sudan or its instrumentalities. Requires the sale within three years of any investments that violate the prohibition.

**Effective:** July 1, 2006.

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January 9, 2006, read first time and referred to Committee on Pensions and Labor.

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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

## SENATE BILL No. 212

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 5-10.3-5-3.5 IS ADDED TO THE INDIANA  
2       CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3       [EFFECTIVE JULY 1, 2006]: **Sec. 3.5. (a) Notwithstanding any**  
4       **other law, the board may not invest or reinvest funds that are held**  
5       **by the board and available for investment with any institution that**  
6       **has:**

7               (1) outstanding loans to;

8               (2) financial activities in or with; or

9               (3) invested in stocks, securities, or other obligations of any  
10              company that directly or through a subsidiary is engaged in  
11              business in or with;

12       Sudan or its instrumentalities.

13       (b) If the board determines that the board has investments  
14       prohibited under subsection (a), the board must take appropriate  
15       action to sell, redeem, divest, or withdraw the investment.

16       (c) This section shall not be construed to require the premature  
17       or otherwise imprudent sale, redemption, divestment, or

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1 withdrawal of an instrument, but the sale, redemption, divestment,  
 2 or withdrawal of an instrument shall be completed not later than  
 3 three (3) years after the board determines that the board has an  
 4 investment prohibited under subsection (a).

5 SECTION 2. IC 5-13-10.5-10.5 IS ADDED TO THE INDIANA  
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 7 [EFFECTIVE JULY 1, 2006]: Sec. 10.5. (a) Notwithstanding any  
 8 other law, a public officer of the state may not invest or reinvest  
 9 funds that are held by the public officer and available for  
 10 investment with any institution that has:

- 11 (1) outstanding loans to;
- 12 (2) financial activities in or with; or
- 13 (3) invested in stocks, securities, or other obligations of any
- 14 company that directly or through a subsidiary is engaged in
- 15 business in or with;

16 Sudan or its instrumentalities.

17 (b) If a public officer of the state determines that the officer has  
 18 investments prohibited under subsection (a), the public officer  
 19 must take appropriate action to sell, redeem, divest, or withdraw  
 20 the investment.

21 (c) This section shall not be construed to require the premature  
 22 or otherwise imprudent sale, redemption, divestment, or  
 23 withdrawal of an instrument, but the sale, redemption, divestment,  
 24 or withdrawal of an instrument shall be completed not later than  
 25 three (3) years after the public officer determines that the public  
 26 officer has an investment prohibited under subsection (a).

27 SECTION 3. IC 21-6.1-3-9.3 IS ADDED TO THE INDIANA  
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2006]: Sec. 9.3. (a) Notwithstanding any  
 30 other law, the board may not invest or reinvest funds that are held  
 31 by the board and available for investment with any institution that  
 32 has:

- 33 (1) outstanding loans to;
- 34 (2) financial activities in or with; or
- 35 (3) invested in stocks, securities, or other obligations of any
- 36 company that directly or through a subsidiary is engaged in
- 37 business in or with;

38 Sudan or its instrumentalities.

39 (b) If the board determines that the board has an investment  
 40 prohibited under subsection (a), the board must take appropriate  
 41 action to sell, redeem, divest, or withdraw the investment.

42 (c) This section shall not be construed to require the premature

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1 or otherwise imprudent sale, redemption, divestment, or  
2 withdrawal of an instrument, but the sale, redemption, divestment,  
3 or withdrawal of an instrument shall be completed not later than  
4 three (3) years after the board determines that the board has an  
5 investment prohibited under subsection (a).

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